

Hearing Date and Time: September 27, 2007 at 10:00 a.m.
Objection Deadline: September 20, 2007 at 4:00 p.m.

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Attorneys for Takata Corporation

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----	X	
In Re:)	
)	Chapter 11
DELPHI CORPORATION, <i>et al.</i>,)	
)	Case No. 05-44481 (RDD)
Debtors.)	
-----	X	(Jointly Administered)

**RESPONSE BY TAKATA CORPORATION TO MOTION FOR ORDER PURSUANT
TO 11 U.S.C. §§105(a) AND 502(c) (A) ESTIMATING AND SETTING MAXIMUM CAP
ON CERTAIN CONTINGENT OR UNLIQUIDATED CLAIMS AND (B) APPROVING
EXPEDITED CLAIMS ESTIMATION PROCEDURES**

NOW COMES Takata Corporation (“Takata”), a party to an executory contract with the Debtors Delphi Corporation and Delphi Technologies, Inc., and responds to the Debtors’ **Motion for Order pursuant to 11 U.S.C. §§105(a) and 502(c) (A) Estimating and Setting Maximum Cap on Certain contingent or Unliquidated Claims and (B) Approving Expedited Claims Estimation Procedures** (the “Claims Estimation Motion”) in regard to Takata’s Proof of Claim No. 10968 filed against Delphi Corporation and No. 10965 filed against Delphi Technologies, Inc. The Debtors have asserted that the claims will be valued at “0” for the purpose of voting on the Plan and setting a maximum cap for an unliquidated claim. The Debtors further allege that they are not setting the amount for allowance of the claims. However, in footnote 10, the

Debtors indicate that the estimation will limit the distribution under the Plan. Takata objects to the estimation of its claims at “0” and to its treatment as proposed by the Debtors. In support thereof, Takata shows the Court the following:

1. The proofs of claim are based upon an executory contract dated October 24, 2003 (the “10/24/03 Agreement”) which has not been rejected as of this date. The proofs of claim were filed as contingent unliquidated claims in an undetermined amount to preserve all of Takata’s rights. Delphi Corporation and Delphi Technologies, Inc. entered into an agreement dated October 24, 2003 with Takata. In addition, the agreement provided for a designation which was made May 6, 2005. The terms of the agreement prevent Takata from filing the agreement. However, Takata has provided the Debtors’ counsel Randall Reese with copies of the agreement by letter dated December 8, 2006 and Joseph Wharton by letter dated June 14, 2007. No response has been received from Debtors’ counsel with regard to either letter.

2. The agreement is an executory contract which is being performed postpetition. Takata cannot determine its damages so long as the executory contract is being performed and has not been rejected.

3. Estimation of the proof of claim at this stage in the proceedings is premature until the Debtors determine whether it will assume or reject the executory contract.

4. Takata’s counsel has contacted Debtors’ counsel Lisa Diaz and the parties have resolved Takata’s objection consensually through a modification to the proposed order. Delphi agreed that Takata could have until September 24, 2007, to respond while the parties attempted to reach a consensual resolution of the objection.

5. Takata reserves all its rights under 11 U.S.C. §365 in the event the Debtors reject the executory contract.

WHEREFORE, Takata respectfully requests that the Court allow the modification in the proposed order as agreed to by the parties.

Dated: September 21, 2007
Greensboro, NC

Respectfully submitted,

TUGGLE DUGGINS & MESCHAN, P.A.

By: /s/ Sarah F. Sparrow
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Attorneys for Takata Corporation

¹ Admitted to practice *pro hac vice* per Order dated November 21, 2006 (Dkt. #5608).

CERTIFICATE OF SERVICE

THIS IS TO CERTIFY that the undersigned served a copy of the foregoing **Response by Takata Corporation to Motion for Order pursuant to 11 U.S.C. §§105(a) and 502(c) (A) Estimating and Setting Maximum Cap on Certain contingent or Unliquidated Claims and (B) Approving Expedited Claims Estimation Procedures** by Federal Express to the parties in interest as shown below, at addresses identified in the Notice of Motion for Order Pursuant to 11 U.S.C. §§105(a) and 502(c) (A) Estimating and Setting Maximum Cap on Certain Contingent or Unliquidated Claims and (B) Approving Procedures for Expedited Estimation (the “Notice”), and electronically by the Court’s ECF System.

Delphi Corporation
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Davis Polk & Wardwell
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Skadden, Arps, Slate, Meagher & Flom LLP
Attn: John Wm. Butler, Jr.
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Attn: Robert J. Rosenberg and Mark A. Broude
885 Third Avenue
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Fried, Frank, Harris, Shriver & Jacobson LLP
Attn: Bonnie Steingart
One New York Plaza
New York, NY 10004

Office of the United States Trustee
Southern District of New York
Attn: Alicia M. Leonhard
33 Whitehall Street, Suite 2100
New York, NY 10004

In addition, the undersigned submitted a copy, as required by the Notice, by Federal Express to the following:

The Honorable Robert D. Drain
United States Bankruptcy Judge
United States Bankruptcy Court
Southern District of New York
One Bowling Green, Room 610
New York, NY 10004

This the 21st day of September, 2007.

/s/ Sarah F. Sparrow
Sarah F. Sparrow